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	CENTRAL INTELLIGENCE AGENCY 25.	X 1	
INTOV	East Garmany/Nest Germany	DATE DISTR / עי	1953
JECT	TXIMPO, Smuggling of Coffee and Cigarettes	NO OF PAGES 2	
CE JUIRED	25X1	NO. OF ENCLS	
E OF O.		SUPPLEMENT TO REPORT NO.	
HE UNITED STATES	THIS IS UNEW THE REPORT OF THE MATIONAL DEFENSE THE THE THE TILE IS SECTIONS 702 CODE AS ANTENDED. 175 TRANSMISSION OF REVEL S TO OP RECEIT BY AN UNAUTHORIZET FERNOR THE REPODUCTION OF THIS FORE IS TROUBLING.	ALUATED INFORMATION	
5X1	MINDO has been reorganized under the name I'm	yco with (fnu)	
1.	Tempke as director. The operations of in more	the CTI. which	
	relays orders of the SCC, Karshorst, pertinent Fest German currency gained by this operation the SCC. The Bast German government is given percentage.		
2•	Coffee smugglers now cross the inter-sector bo the S-Bahn; 'est Berlin police and customs of automobile traffic too closely for the smuggle control S-Pahn passengers. Smugglers are take from Tast Berlin warehouses by the most direct nearest S-Bahn station. Evering this ride the	rs but do not n br automobile route to the coffee is placed	
	into carrying vests (fragmester), it this had complished at the warehouse. Tast German policitals are still required to arrest the smu German customs officials levy heavy fines, up for attempts at smurgling coffee and cigarette	ce and customs moders. Mast to 20,000 DM es into Yest DYE.for storing	
·	of the TUDOXCO, which wants smurglers to be distoring coffee in Tast Perlin but wants them agoods directly to Yest Badlin.	iscouraged from to take the	
3.	Smugglers buy 10,000 'merican cirarettes (50 PM) at the varehouse and sell them for 60,5 PM uholesalers. Smugglers buy 30 kilograms of r 550 PM and sell it for 560 PM to 'est Herli	au coffee for	
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- 5. Smugglers may be arrested and fined in East Berlin or East Germany for the following offenses:
 - a. possession of untaxed coffee to be used for smuggling
 b. storing of untaxed coffee and cigarettes to be used for smuggling
 - c. deviating from the shortest route between warehouse and West Berlin
 - d. possession of DMW to be used for paying for products to be smuggled
 - e. selling untaxed coffee in Cast Berlin and East Germany (Zempke has admitted that between one-third and one-half of the products are sold in East Berlin and East Germany)
- 6. East German police and customs officials confiscated untaxed goods to be smuggled to West Berlin valued at 64,000 DME in January 1953 and 53,000 DME during February 1953. This represents less than five percent of the total value of goods smuggled into West Berlin.

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